

PROVINCE OF SASKATCHEWAN



10-11

**SASKATCHEWAN
COMMUNICATIONS NETWORK**

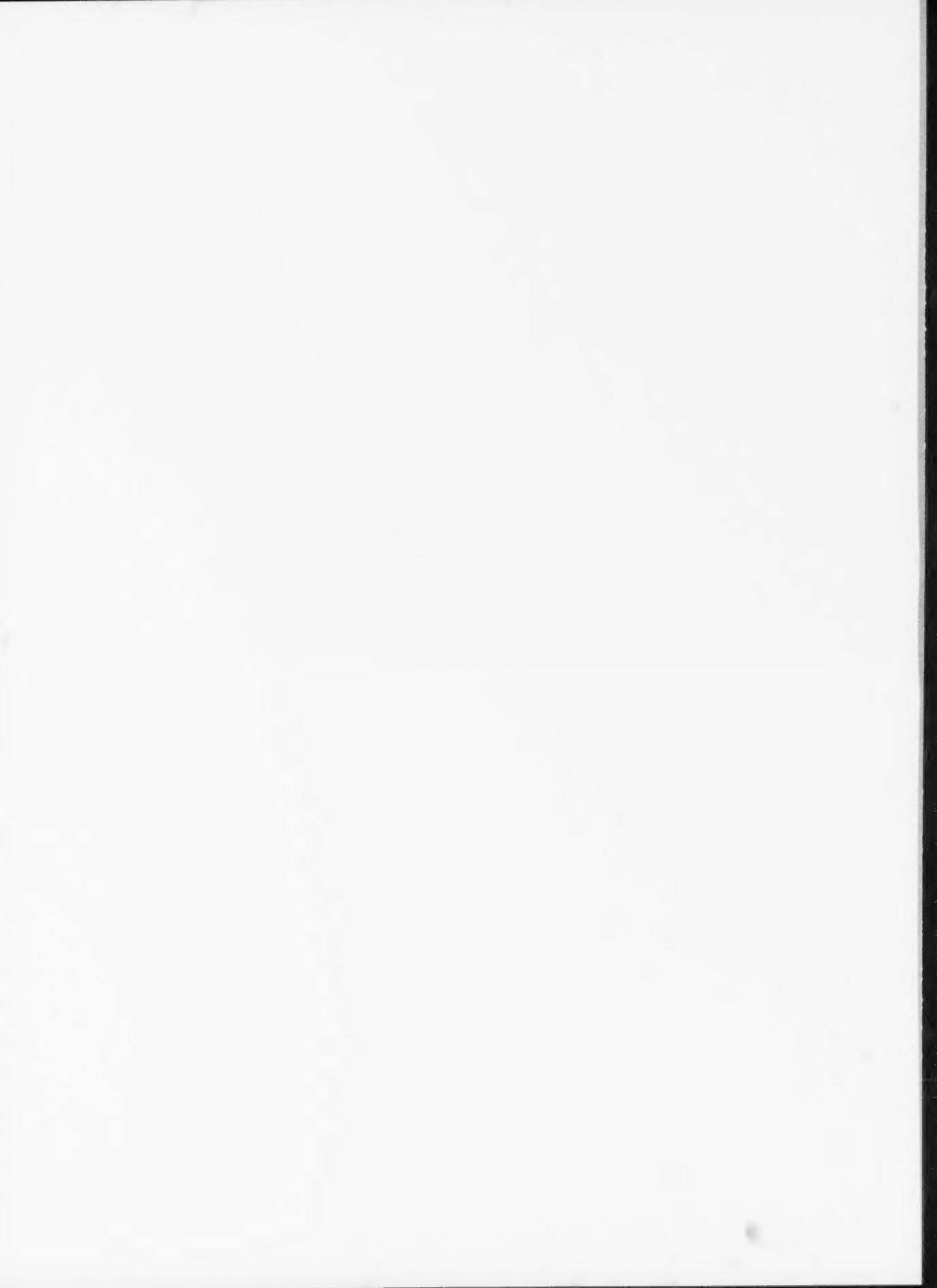


Table of Contents

Letters of Transmittal.....	3
2010-11 Overview	4
2010-11 Financial Overview.....	5

This Annual Report is also available in electronic format from the following website
www.finance.gov.sk.ca.

Letters of Transmittal

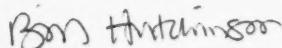


His Honour the Honourable Dr. Gordon L. Barnhart
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I respectfully submit the Annual Report of the Saskatchewan Communications Network Corporation (SCN) for the fiscal year ending March 31, 2011, including financial statements, in accordance with *The Communications Network Act*.

Respectfully,

A handwritten signature in black ink that appears to read "Bill Hutchinson".

Bill Hutchinson
Minister Responsible for SCN



The Honourable Bill Hutchinson
Minister Responsible for SCN

Dear Minister:

I have the honour of submitting the Annual Report of the Saskatchewan Communications Network Corporation for the fiscal year ending March 31, 2011.

As part of my responsibility as Chairperson of the Board of SCN I provide assurance on the accuracy and reliability of the information contained in the Corporation's 2010-11 Annual Report.

Respectfully submitted,

A handwritten signature in black ink that appears to read "Wynne Young".

Wynne Young
Chairperson of SCN Board

2010-11 Overview

Sale of the Saskatchewan Communication Network

On March 24, 2010, as part of the Provincial Budget, the Government of Saskatchewan announced it was winding down the operations of the Saskatchewan Communications Network (SCN). A notice of dissolution was subsequently placed in the Saskatchewan Gazette and Regina Leader Post. An Expression of Interest process followed, which resulted in Bluepoint Investments Inc. being the successful purchaser of SCN effective June 30, 2010. The affairs of the Corporation of SCN officially dissolved on March 31, 2011 as per Order in Council 746/2010.

Bluepoint purchased the SCN Assets for \$350,000 and committed to keeping SCN on the air by acquiring a new Canadian Radio-television Telecommunications Commission (CRTC) license. The purchase and sale agreement also included a commitment by Bluepoint to purchase \$1.75 million per year in Saskatchewan television content and \$1 million per year in Saskatchewan digital content.

The SCN Board continued to be responsible for SCN during the period that Bluepoint awaited the CRTC decision. The Government of Saskatchewan aided the application by officially designating Bluepoint Investment Inc. as the exclusive provincial Educational Broadcaster for Saskatchewan. The designation shall remain in effect so long as Bluepoint adheres to the terms and conditions in Broadcasting Decision CRTC 2010-965.

On December 23, 2010, Bluepoint received a CRTC license for five years. The license includes a stipulation that Bluepoint is to fulfill its commitment to purchase an average, over five years, of \$1.75 million per year in Saskatchewan television content and \$1 million per year in Saskatchewan digital content.

In March 2011, Bluepoint had its first call for proposals and received over 100 submissions.

Satellite Distance Education Service

Effective June 1, 2010, provision of satellite services and assets were transferred to SaskTel, which include distance education, the connectivity to the Provincial Public Safety Telecommunications Network and the broadcast of the Legislative channel.

Administration of License Agreements

Outstanding contracts with film producers are being brought to a conclusion by the Saskatchewan Film and Video Development Agency (SaskFilm). SaskFilm, on behalf of SCN, oversaw the completion of license agreements to the point at which the productions were delivered and licensed for broadcast.

INDEPENDENT AUDITORS' REPORT

To the Members of the Legislative Assembly, Province of Saskatchewan

We have audited the accompanying financial statements of Saskatchewan Communications Network Corporation, which comprise the balance sheet as at March 31, 2011 and the statements of operations, changes in net assets, and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Saskatchewan Communications Network Corporation as at March 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Regina, Canada

May 8, 2011

Saskatchewan Communications Network Corporation

Balance Sheet

As At March 31

	2011	2010
ASSETS		
Current Assets		
Cash	\$ ---	\$1,554,308
Restricted cash	---	1,417,624
Accounts receivable and accrued interest	---	217,739
Prepaid expenses	---	62,999
	<hr/>	<hr/>
	---	3,252,670
Property, Plant and Equipment (note 4)	---	2,266,576
Film and Television Program Rights (note 5)	<hr/>	<hr/>
	---	100,000
	<hr/>	<hr/>
	\$ ---	\$5,619,246
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	---	\$1,869,367
Funds under administration	---	1,439,585
Deferred contributions (note 6)	---	1,200
	<hr/>	<hr/>
	---	3,310,152
Deferred Contributions Related to Property, Plant and Equipment (note 7)	---	1,810,574
NET ASSETS		
Invested in property, plant and equipment	---	456,002
Invested in film and television program rights	---	100,000
Unrestricted	---	(57,482)
	<hr/>	<hr/>
	---	498,520
	<hr/>	<hr/>
	\$ ---	\$5,619,246

Dissolution of the corporation – note 2

SIGNED ON BEHALF OF THE BOARD

St. J. Young, Director

see accompanying Notes to the Financial Statements

Statement of Operations

For the Year Ended March 31

	2011	2010
REVENUES		
Grant from the Government of Saskatchewan		
- General revenue fund	\$1,431,095	\$6,267,000
- Intergovernmental fund	145,003	539,818
Data transmission over satellite	1,529	1,169,582
Video transmission over satellite	—	373,889
Network configuration	4,104	321,547
Corporate sponsorship	—	83,250
Project administration and miscellaneous	25,578	118,810
Membership	—	30,744
Interest	5,641	120
	<u>1,612,950</u>	<u>8,904,760</u>
EXPENSES (note 10 and 11)		
Film and television program rights	38,650	1,986,364
Program development and production	7,229	304,839
Program support	150,913	832,525
Broadcast network distribution and support	37,866	724,135
E-learning network distribution and support	124,505	782,982
Other networks distribution and support	202,116	1,439,145
Administration	78,904	2,483,038
Amortization of property, plant and equipment	176,948	1,164,882
Impairment of long-lived assets (note 2 a and c)	<u>1,085,407</u>	<u>2,065,766</u>
	<u>1,902,538</u>	<u>11,783,676</u>
DEFICIENCY OF REVENUES OVER EXPENSES FOR THE YEAR	<u>\$(289,588)</u>	<u>\$(2,878,916)</u>

see accompanying Notes to the Financial Statements

Statement of Changes in Net Assets

For the Year Ended March 31, 2011

	Invested in			
	Property, plant and equipment	Film & TV program rights	Unrestricted	2011
Balance, beginning of year	456,002	100,000	(57,482)	498,520
(Deficiency) excess of revenues over expenses	(1,894,804)	(1,214,970)	2,820,186	(289,588)
Increase (decrease) in investments	(162,840)	1,114,970	(952,130)	–
Transfer of assets to related party	(208,932)	–	–	(208,932)
Deferred contributions related to property, plant and equipment	1,810,574	–	(1,810,574)	–
Balance, end of year	–	–	–	–

For the Year Ended March 31, 2010

	Invested in			
	Property, plant and equipment	Film & TV program rights	Unrestricted	2010
Balance, beginning of year	\$614,894	\$2,310,037	\$452,505	\$3,377,436
(Deficiency) excess of revenues over expenses	(1,305,577)	(3,826,224)	2,252,885	(2,878,916)
(Decrease) increase in investments	1,862,873	1,616,187	(3,479,060)	–
Deferred contributions related to property, plant and equipment	(716,188)	–	716,188	–
Balance, end of year	\$456,002	\$100,000	\$(57,482)	\$498,520

see accompanying Notes to the Financial Statements

Statement of Cash Flows

For the Year Ended March 31

	2011	2010
CASH FLOWS (USED IN) FROM OPERATING ACTIVITIES		
Grants received	\$1,576,098	\$6,806,818
Interest received	5,641	177
Fees received for goods and services	31,211	3,475,662
Net cash receipts for funds under administration	(1,439,585)	1,419,899
Cash payments to suppliers and employees	<u>(2,193,167)</u>	<u>(6,181,503)</u>
	(2,019,802)	5,521,053
CASH FLOWS USED IN INVESTING ACTIVITIES		
Cash payments for purchase of property, plant and equipment	(87,160)	(1,862,873)
Cash payments for purchase of film and television program rights	(1,134,970)	(1,616,187)
Cash received from the sale of property, plant and equipment	250,000	-
Cash received from the sale of film and television program rights	<u>20,000</u>	<u>-</u>
	(952,130)	(3,479,060)
(Decrease) increase in cash	(2,971,932)	2,041,993
CASH - BEGINNING OF YEAR	2,971,932	929,939
CASH - END OF YEAR	\$ -	\$2,971,932
Cash is comprised of:		
Cash	\$ -	\$1,554,308
Restricted cash	<u>-</u>	1,417,624
	<u>-</u>	<u>\$2,971,932</u>

see accompanying Notes to the Financial Statements

Notes to the Financial Statements

For the Year Ended March 31, 2011

1. STATUS OF CORPORATION

Saskatchewan Communications Advanced Network Authority (SCAN) was established by an order-in-council January 11, 1989 under the *Crown Corporations Act, 1978*. SCAN was continued as Saskatchewan Communications Network Corporation ("SCN" or the "Corporation") under *The Communications Network Corporation Act, 1990*. Accordingly, the financial results of the Corporation are included in the summary financial statements of the Province of Saskatchewan. As a provincial Crown corporation, SCN is not subject to federal income tax, provincial income tax, or goods and services tax.

2. DISSOLUTION OF THE CORPORATION

On March 24, 2010, there was an approval of a regulation that moved SCN under *The Crown Corporations Act* allowing, by Order in Council (148/2010), the dissolution of the Corporation. The notice appeared in the Saskatchewan Gazette April 1, 2010 and the Regina Leader Post on April 8, 2010. Further Orders in Council (275/2010 and 746/2010) were passed during the current fiscal year directing the transfer, sale and settlement of all assets, liabilities and obligations of the Corporation. It was further directed that the affairs of the Corporation were to be wound up and the Corporation to be dissolved effective March 31, 2011. As part of the dissolution of the Corporation the following occurred during the year:

- a) The assets, liabilities and obligations of the Corporation related to the provision of satellite communications services were transferred to Saskatchewan Telecommunications effective June 1, 2010. Saskatchewan Telecommunications assumed the net book value of the assets and associated deferred contributions. The transfer of these assets resulted in a charge against net assets invested in property, plant and equipment of \$208,932.
- b) The remaining Property, Plant and Equipment and Film and Television Program Rights were sold to BluePoint Investments Inc. effective June 30, 2010. Proceeds on the sale of Property, Plant and Equipment and Film and Television Program Rights were \$350,000.
- c) Saskatchewan Film and Video Development Corporation (SaskFilm) was engaged on June 21, 2010 to oversee the completion of the Corporation's outstanding license agreements, to deliver broadcast-ready programming for film and television production companies and/or producers to the point at which they are delivered and licensed for broadcast. The total financial contribution made to SaskFilm net of funds returned for cancelled productions was \$998,733, of which \$911,373 was to be used to pay the producers the amounts payable in accordance with the terms and conditions of the license agreements and \$87,360 was paid to SaskFilm for administration expenses to be incurred related to the management of license agreements. These payments contributed to an additional amount of \$1,085,407 being recorded in impairment of long-lived assets.
- d) Outstanding severance liabilities at March 31, 2011 totaling \$34,544 were transferred to the Ministry of Tourism, Parks, Culture and Sport along with sufficient cash to settle these liabilities.
- e) All remaining assets of the Corporation on the date of dissolution were transferred to the Government of Saskatchewan. Assets transferred to the Government of Saskatchewan as at March 31, 2011 included cash of \$1,619,457 and accounts receivable of \$80,000.

Notes to the Financial Statements

For the Year Ended March 31, 2011

3. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

a) Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The Corporation relies on assumptions regarding applicable industry performance and prospects, as well as general business and economic conditions that prevail and are expected to prevail (Note 2). Assumptions underlying asset valuations are limited by the uncertainty of predictions concerning future events. By nature, asset valuations are subjective and do not necessarily result in precise determinations. The recognition of liabilities at the estimated retirement amount may change in the near term due to negotiated settlements, or other events related to the wind-up of operations. Actual results could differ materially from those estimates.

b) Revenue recognition

The government operating grant is recognized in the year it is approved. Other government contributions are recognized in the fiscal year in which the related expenses are incurred.

Deferred contributions represent funding received in the current period that is related to externally restricted expenses in the subsequent period. These contributions represent funding received to purchase data transmission over satellite equipment and network configuration equipment. The data transmission over satellite equipment is amortized over the two year life of the underlying assets. The network configuration equipment is amortized over the five year life of the underlying assets. Distance education equipment is amortized over the life of the underlying asset, being 2 or 3 years.

Other revenues are recognized when the related service is provided.

c) Defined contribution pension plan

The Corporation contributes to a defined contribution plan. The defined contribution plan costs are recognized as employees render services during the year.

d) Property, plant and equipment

Property, plant and equipment was recorded at cost less accumulated amortization. Amortization was calculated over the assets estimated useful lives as follows:

Office equipment and furniture	Declining Balance	30%
Uplink development and broadcast equipment	Declining Balance	30%
Computer hardware	Declining Balance	40%
TVs, VCRs, cameras, satellite dishes and receivers	Declining Balance	40%
Fax machines and conferencing units	Declining Balance	50%
Computer software	Declining Balance	60%
Data transmission equipment	Straight Line	2 years
Distance education hardware	Straight Line	2-3 years
Scheduling computer software	Straight Line	5 years
Network configuration	Straight Line	5 years
Office renovations	Straight Line	6 years
Digital video compression equipment	Straight Line	9 years

Notes to the Financial Statements

For the Year Ended March 31, 2011

e) Film and television program rights

Film and television program rights were recorded at cost less accumulated amortization. Amortization was calculated over the assets estimated useful lives as follows:

Class A: Event programming	Expense	100%
Class B: Short to Mid Term programming	50:50	2 years
Class C: Normal term programming	35:35:30	3 years
Class D: Long term programming	Straight Line	5 years

f) Impairment of long-lived assets

When a long-lived asset no longer contributes to the organization's ability to provide services, its carrying amount is written down to residual value, if any. Any difference between the carrying value and the lower residual value is expensed in the statement of operations in the year of impairment. Residual value is defined as "the estimated net realizable value of a long-lived asset at the end of its useful life to an organization".

Property, plant and equipment and film and television program rights have been recorded at net residual value. The excess of the carrying amounts over any residual values was recognized as an expense in the statement of operations.

4. PROPERTY, PLANT AND EQUIPMENT

The components of property, plant and equipment as well as the related accumulated amortization are:

	2011			2010
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Office equipment and furniture	\$ -	\$ -	\$ -	\$66,859
Uplink development and broadcast equipment	-	-	-	224,898
Computer hardware	-	-	-	14,092
TVs, VCRs, cameras, satellite dishes and receivers	-	-	-	2,732
Fax machines and conferencing units	-	-	-	3
Computer software	-	-	-	1,527
Data transmission equipment and distance education hardware	-	-	-	59,412
Distance education hardware	-	-	-	979,164
Scheduling computer software	-	-	-	628
Network configuration	-	-	-	917,261
Digital video compression equipment	-	-	-	-
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u> 2,266,576

Amortization for the year totaled \$176,948 (2010 - \$1,164,882). Impairment (recovery) for the year totaled (\$19,277) (2010 - \$140,695).

Notes to the Financial Statements

For the Year Ended March 31, 2011

5. FILM AND TELEVISION PROGRAM RIGHTS

The components film and television program rights as well as the related accumulated amortization are:

	2011			2010
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Class B	\$ -	\$ -	\$ -	\$12,777
Class C	-	-	-	16,922
Class D	-	-	-	70,301
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$100,000</u>

Amortization for the year totaled \$30,285 (2010 - \$1,901,153). Impairment for the year totaled \$1,104,684 (2010 - \$1,925,071).

6. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent resources externally restricted for data transmission over satellite and other miscellaneous amounts. Changes in deferred contributions balance are as follows:

	2011	2010
Data transmission over satellite		
Beginning balance, related to data transmission over satellite	\$1,200	\$2,400
Less amount recognized as revenue in the year	(200)	(1,200)
Less amount recognized against sale of assets	(1,000)	-
Ending balance, data transmission over satellite	-	1,200
Miscellaneous		
Beginning balance, miscellaneous	-	29,650
Less amount recognized as revenue in the year	-	(29,650)
Ending balance, miscellaneous	-	-
Ending balance	\$ -	\$1,200

Notes to the Financial Statements

For the Year Ended March 31, 2011

7. DEFERRED CONTRIBUTIONS RELATED TO PROPERTY, PLANT AND EQUIPMENT

Changes in the deferred contributions balance are as follows:

	2011	2010
Data transmission over satellite equipment		
Beginning balance	\$9,176	\$841
Contributed equipment	-	18,351
Amount amortized to revenue	(1,529)	(10,016)
Amount transferred to related party	(7,647)	-
Ending balance, data transmission over satellite equipment	-	9,176
Network configuration equipment		
Beginning balance	771,998	1,093,545
Amount amortized to revenue	(52,803)	(321,547)
Amount transferred to related party	(674,087)	-
Less amount recognized against sale of assets	(45,108)	-
Ending balance, network configuration equipment	-	771,998
Distance education equipment		
Beginning balance	1,029,400	-
Contributed equipment	-	1,569,218
Amount amortized to revenue	(89,970)	(539,818)
Amount transferred to related party	(939,430)	-
Ending balance, data transmission over satellite equipment	-	1,029,400
Ending balance	\$ -	\$1,810,574

8. FINANCIAL INSTRUMENTS

Upon initial recognition, financial instruments are measured at fair value and are subsequently accounted for based on their classification as described below:

a) *Held-for-trading*

This classification is carried at fair value with any gains or losses included in net income. The Corporation has classified cash as held-for-trading. This measurement is consistent with the classification under the prior accounting standards and does not result in a change to net assets.

b) *Loans and receivables, and other liabilities*

These classifications were accounted for at amortized cost using the effective interest method.

As these statements have been recorded at liquidation basis of accounting whereby all the assets are recorded at the lower of net book value and net realizable value and liabilities are stated at their estimated settlement amounts. The Corporation does not have any financial assets or financial liabilities which are not recognized in the financial statements.

The Corporation is exposed to credit risk from the potential default of customers. However, the majority of the Corporation's receivables are from related parties, other government corporations and agencies; therefore the credit risk is minimal.

Notes to the Financial Statements

For the Year Ended March 31, 2011

9. RELATED PARTY TRANSACTIONS

All Government of Saskatchewan agencies such as ministries, corporations, boards and commissions are related since all are controlled by the government.

Included in these financial statements are income and expense amounts resulting from routine operating transactions conducted at prevailing market prices with various Saskatchewan Crown-controlled ministries, agencies and corporations with which SCN is related. The more significant of these are SaskTel, Ministry of Government Services, the Saskatchewan Legislative Assembly, and Ministry of Education. Also, SCN is related to non-crown enterprises that the government jointly controls or significantly influences. Account balances resulting from these transactions are included in the balance sheet and are settled on normal trade terms.

The following table summarizes SCN's major related party transactions that are in the normal course of operations. These transactions are recorded at exchange amounts agreed to by the related parties.

	2011	2010
Revenues	\$1,431,095	\$6,267,000
Ministry of Tourism, Parks, Culture and Sport	162,735	1,503,291
Ministry of Education	-	285,552
Saskatchewan Legislative Assembly	-	176,438
Information Technology Office	-	45,203
Ministry of Government Services	-	40,000
Saskatchewan Arts Board	-	25,200
Ministry of Corrections, Public Safety and Policing	-	12,593
Other		

Notes to the Financial Statements

For the Year Ended March 31, 2011

9. RELATED PARTY TRANSACTIONS CONTINUED

	2011	2010
Expenses		
Ministry of Government Services	91,052	464,188
SaskTel	23,860	35,756
University of Saskatchewan	7,764	370
University of Regina	—	16,392
Other	—	1,861
Property, plant and equipment expenditures		
University of Regina	10,000	—
Ministry of Government Services	—	49,612
Deferred contributions at March 31 (note 6 and 7)		
Ministry of Education	—	1,038,576
Information Technology Office	—	1,200
Accounts receivable at March 31		
Information Technology Office	—	74,938
Ministry of Education	—	57,100
Ministry of Government Services	—	11,025
Other	—	210
Accounts payable at March 31		
Ministry of Government Services	—	11,287
Other	—	18

In addition, the Corporation pays Saskatchewan Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of these purchases.

Notes to the Financial Statements

For the Year Ended March 31, 2011

10. COMPARISON OF ACTUAL EXPENSES

		2011	2010
General Operating Expenses		Actual	Actual
Film and television program rights		\$8,365	\$85,210
Film and television program rights – amortization		30,285	1,901,153
Film and television program rights - impairment		1,104,684	1,925,071
Program development and production		7,229	304,839
Program support		150,913	832,525
Broadcast network distribution and support		37,866	724,135
E-learning network distribution and support		124,505	782,982
Administration		78,904	2,483,038
Administration – amortization		5,463	111,856
Administration – impairment (recovery)		(5,436)	91,347
Network distribution - amortization		171,485	1,053,026
Network distribution – impairment (recovery)		(13,841)	49,348
Sub-total		<u>1,700,422</u>	<u>10,344,530</u>
Additional Services Provided			
Network distribution - data		186,737	1,278,962
Network distribution – video		15,379	160,184
Sub-total		<u>202,116</u>	<u>1,439,146</u>
Total		<u><u>\$1,902,538</u></u>	<u><u>\$11,783,676</u></u>
Capital Purchases Property, Plant and Equipment			
Administration		\$11,245	\$88,626
Network distribution – general		75,914	1,755,896
Network distribution – additional services		-	18,351
Sub-total		<u>87,159</u>	<u>1,862,873</u>
Film and Television Program Rights			
General program rights		223,597	1,532,937
Sponsorship program rights		-	83,250
Sub-total		<u>223,597</u>	<u>1,616,187</u>
Total		<u><u>\$310,756</u></u>	<u><u>\$3,479,060</u></u>

Notes to the Financial Statements

For the Year Ended March 31, 2011

11. CLASSIFICATION OF EXPENSES BY OBJECT

	2011	2010
Salaries (including benefits)	\$(207,541)	\$3,887,469
Communications	2,457	155,363
General operations		
Administration	418,636	895,840
Networks	254,071	1,155,864
Distribution of networks	284,495	1,744,393
Program rights	1,143,334	3,911,434
Production costs	7,086	33,313
Total	<u>\$1,902,538</u>	<u>\$11,783,676</u>

12. COMPARITIVE FINANCIAL INFORMATION

For comparative purposes, certain 2010 balances have been re-classified to conform to the 2011 financial statement presentation.



